



COUNTY OF LOS ANGELES

DEPARTMENT OF PUBLIC WORKS

"To Enrich Lives Through Effective and Caring Service"

900 SOUTH FREMONT AVENUE
ALHAMBRA, CALIFORNIA 91803-1331
Telephone: (626) 458-5100
www.ladpw.org

ADDRESS ALL CORRESPONDENCE TO:
P.O. BOX 1460
ALHAMBRA, CALIFORNIA 91802-1460

IN REPLY PLEASE

REFER TO FILE: **EP-2**

October 7, 2004

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012-2756

Dear Supervisors:

**REFUND OF THE GARBAGE COLLECTION AND DISPOSAL SERVICE FEES
FISCAL YEAR 2003-04**

**ATHENS-WOODCREST-OLIVITA, BELVEDERE, FIRESTONE, MALIBU, MESA
HEIGHTS, AND WALNUT PARK GARBAGE DISPOSAL DISTRICTS
SUPERVISORIAL DISTRICTS 1, 2, AND 3
4 VOTES**

IT IS RECOMMENDED THAT YOUR BOARD:

1. Authorize the Interim Director of Public Works to refund the 2003-04 Fiscal Year Garbage Collection and Disposal Service Fees to those property owners in the above-referenced Garbage Disposal Districts who (a) utilized dumpster services during the entire fiscal year, and (b) unless otherwise extended by the Interim Director of Public Works, under special circumstances on a case-by-case basis, submit a refund application to the Interim Director of Public Works not later than January 31, 2005.
2. The amount of the refund is estimated not to exceed \$363,000 (GA1 Fund) for the Athens-Woodcrest-Olivita District, \$603,000 (GA2 Fund) for the Belvedere District, \$309,000 (GA4 Fund) for the Firestone District, \$22,000 (GA5 Fund) for the Malibu District, \$77,000 (GA6 Fund) for the Mesa Heights District, and \$47,000 (GA7 Fund) for the Walnut Park District.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Your Board has been authorizing Public Works in the previous years to refund Service Fees to those customers in the above-referenced Districts who utilized dumpster services in lieu of trash receptacles serviced by the contract waste haulers during the entire fiscal year. The proposed recommendation provides for continuation of the Service Fees Refund Program for Fiscal Year 2003-04 for all the Districts referenced above.

Currently, the Districts' contracts provide residents with weekly refuse collection in unlimited quantities and recycling and green waste service except in the Malibu District where refuse collection is provided twice a week. The existing contracts for Fiscal Year 2003-04, with the exception of the Malibu District, did not include provision for collection of refuse placed in dumpsters by property owners and tenants of multi-family residences and/or businesses. The owners of these properties are charged an annual Garbage Collection and Disposal Service Fee by the Districts as well as being charged by the private haulers hired by them directly. However, they do not receive any services from the Districts. To address the inequity, it is recommended that the Service Fees Refund Program for the above-referenced Districts be continued for Fiscal Year 2003-04.

As a follow-up to the Auditor-Controller's fiscal review of the Garbage Disposal Districts, including Malibu Garbage Disposal District, in 1999 your Board approved the reduction of the reserves and fund balances in a number of Districts by providing a credit to each eligible parcel of property in an amount equivalent to the annual Service Fee assessed on the 2000-01, 2001-02, 2002-03, and 2003-04 Annual Property Tax Bills. However, those property owners in Malibu Garbage Disposal District who filed and received a refund for utilizing dumpster services in Fiscal Year 2002-03 were exempt from receiving a credit on their 2003-04 Property Tax Bill. Under the current contract, dumpster services are part of the District's regular services provided to all multi-family residences and business establishments. However, despite the availability of dumpster services from the District's contract waste hauler since the commencement of the new contract on July 1, 2003, there is evidence indicating that a number of property owners continued to use private haulers during Fiscal Year 2003-04. We believe this was due to inadequate notification by the contract waste hauler of the availability of dumpster services as part of the new contract. Therefore, to address this issue, it is recommended that a special refund of the 2003-04 Service Fee be provided to those property owners in the Malibu District who did not receive a credit on the 2003-04 Annual Property Tax Bill and who also utilized private dumpster service for the entire Fiscal Year.

Upon your Board's approval, all identified and eligible property owners in the Districts who utilized dumpster services will be notified by U.S. Mail of the 2003-04 refund of the Service Fees.

Implementation of Strategic Plan Goals

This action is consistent with the County Strategic Plan Goal of Fiscal Responsibility. As proposed, the Districts' Service Fee will be refunded only to those qualified property owners in each District who elected not to receive any refuse, recyclable material, and green waste collection services provided by the Districts for the entire Fiscal Year 2003-04.

FISCAL IMPACT/FINANCING

The number of parcels which utilized dumpster services in each of the six Districts has been identified as follows:

<u>District</u>	<u>Number of Parcels Utilized Dumpster Services</u>
Athens	600
Belvedere	2,104
Firestone	885
Malibu	71
Mesa Heights	224
Walnut Park	150

There will be no impact to the County General Fund.

Sufficient funding is available in the Athens-Woodcrest-Olivita, Belvedere, Firestone, Malibu, Mesa Heights, and Walnut Park Garbage Disposal Districts' Fund to provide for the refund program.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

County Counsel concurs with the above recommendation.

The Honorable Board of Supervisors
October 7, 2004
Page 4

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The recommended Board action will have no impact on the quality of the Districts' regular and special services being provided to all residential, commercial, and business customers.

CONCLUSION

It is requested that two approved copies of this letter be returned to Public Works.

Respectfully submitted,

DONALD L. WOLFE
Interim Director of Public Works

VM:my
P:\sec\refund03-04

cc: Auditor Controller
Chief Administrative Office
County Counsel